

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:
THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

This filing relates to PREPA.

**REPLY OF THE PUERTO RICO ELECTRIC POWER AUTHORITY
TO RESPONSE FILED BY POWER TECHNOLOGIES CORP.
TO ONE HUNDRED EIGHTY-FOURTH OMNIBUS OBJECTION
(NON-SUBSTANTIVE) TO SUBSEQUENTLY AMENDED CLAIMS**

The Puerto Rico Electric Power Authority (“PREPA”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as PREPA’s representative pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² files this reply (the “Reply”) to the *Response and*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”, and together with the Commonwealth, COFINA, HTA, ERS, and PREPA, the “Debtors”) (Bankruptcy Case No. 19-BK-5532-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA is codified at 48 U.S.C. §§ 2101-2241.

Reservation of Rights in Opposition to the One Hundred Eighty-Fourth Omnibus Objection (Non-Substantive) of the Puerto Rico Electric Power Authority to Subsequently Amended Claims [ECF No. 13143] (the “Response”), filed by claimant Power Technologies Corporation (the “Claimant”) to the *One Hundred Eighty-Fourth Omnibus Objection (Non-Substantive) of the Puerto Rico Electric Power Authority to Subsequently Amended Claims* [ECF No. 12850] (the “One Hundred Eighty-Fourth Omnibus Objection”). In support of this Reply, PREPA respectfully represents as follows:

1. On April 17, 2020, PREPA filed the One Hundred Eighty-Fourth Omnibus Objection seeking to disallow certain proofs of claim that were subsequently amended and superseded (collectively, the “Claims to Be Disallowed”), each listed on Exhibit A thereto. As set forth in the One Hundred Eighty-Fourth Omnibus Objection and supporting exhibits thereto, each of the Claims to Be Disallowed have been amended and superseded by subsequently filed proof(s) of claim (collectively, the “Remaining Amended Claims”). The Claims to Be Disallowed thus no longer represent valid claims against PREPA.

2. Any party who disputed the One Hundred Eighty-Fourth Omnibus Objection was required to file a response by 4:00 p.m. (Atlantic Standard Time) on April 7, 2020, in accordance with the Court-approved notices attached to the One Hundred Eighty-Fourth Omnibus Objection as Exhibit C, which were served in English and Spanish on the individual creditors subject to the Omnibus Objections, the U.S. Trustee, and the Master Service List (as defined in the *Tenth Amended Case Management Procedures* [ECF No. 8027-1]).

3. Claimant filed two proofs of claim against PREPA on May 8, 2018, logged by Prime Clerk as Proofs of Claim Nos. 10965 and 10971 (the “Claims”). The Claims were

subsequently amended on June 13, 2018, when Claimant filed an amended proof of claim against PREPA that was logged by Prime Clerk as Proof of Claim No. 38197 (the “Remaining Claim”). The One-Hundred Eighty-Fourth Omnibus Objection objected to the Claims as having been superseded by the Remaining Claim.

4. On May 18, 2020, over a month late, Claimant filed the Response. Therein, Claimant does not dispute that the Claims were amended by the Remaining Claim. Indeed, Claimant acknowledges that its Claims “were later amended and superseded by” the Remaining Claim, “rendering [them] duplicative.” Resp. ¶¶ 3, 5. Claimant also asserts it “does not object to the non-substantive disallowance of the duplicative claims it filed . . . contingent on a finding that the [Remaining Claim] is *prima facie* valid, pursuant to 11 U.S.C. § 502(a).”

5. Pursuant to Federal Rule of Bankruptcy Procedure 3001(f), any proof of claim filed in accordance with the Bankruptcy Rules “constitutes *prima facie* evidence of the validity and amount of the claim.” PREPA therefore asks the Court to disallow the Claims as having been superseded by the Remaining Claim. As set forth in the One Hundred Eighty-Fourth Omnibus Objection, however, PREPA reserves its rights to object to the Remaining Claim on any basis whatsoever, including an assertion that the Remaining Claim was not filed in accordance with the Bankruptcy Rules and, thus, is not entitled to be treated as *prima facie* valid.

6. Because Claimant admits that the Claims have been amended and superseded by the Remaining Claim, and does not otherwise dispute the relief sought in the One Hundred Eighty-Fourth Omnibus Objection, PREPA respectfully requests that the Court grant the One Hundred Eighty-Fourth Omnibus Objection and disallow the Claims in their entirety.

Dated: January 4, 2021
San Juan, Puerto Rico

Respectfully submitted,

/s/ Hermann D. Bauer

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